



## Department of Energy

Washington, DC 20585

March 16, 2011

### MEMORANDUM FOR DISTRIBUTION

**FROM:**

  
STEVE ISAKOWITZ  
CHIEF FINANCIAL OFFICER

**SUBJECT:**

Reduction in Advance Payment Requirements for Non-Federal Work at DOE Facilities

The Office of the Chief Financial Officer is pleased to announce policy changes reducing the payments required of non-federal customers of DOE facilities. In part, these changes respond to concerns raised by the Department's Technology Transfer Working Group. While the Department does not have budgetary authority that would allow us to remove the requirement for advance payments, we have reduced the payment requirement to the minimum required to ensure compliance with relevant laws.

The revised policy requires 60 days advance payment, reduced from 90 days in the former policy. The new policy also allows individual DOE site operating contractors to develop billing and collection procedures that will allow for a smaller advance payment amount and clarifies language that was inconsistently applied in the former policy. Please note that our ultimate goal is to reduce the advance payment requirement to 30 days or less for those DOE site operating contractors that are able to establish the appropriate billing and collection procedures.

The changes are codified in a revised Chapter 13 of the Department's Accounting Handbook (see attached); the revisions focus on the issue of advance payment requirements for non-federal customers. These changes were coordinated with all of the Department's Field CFOs and will soon be reflected in the related DOE manuals on reimbursable work and cooperative agreements.

Please provide any additional comments or questions on these revisions to Dana Thibeu at [dana.thibeu@hq.doe.gov](mailto:dana.thibeu@hq.doe.gov) or 301-903-1513.



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